



City of Wheatland

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CITY COUNCIL MEETING STAFF REPORT

Date: June 9, 2010

Agenda Item:

Subject: Bishop Tax Sharing Agreement – Draft Principals

Prepared by: Stephen L. Wright, City Manager

Recommendation: Council concur with the draft tax sharing agreement terms outlined in the attached letter from County CAO Robert Bendorf.

Discussion: Earlier this year the Council provided some direction to staff related to possible terms in a proposed tax sharing agreement with Yuba County related to the planned annexation of Bishop's Pumpkin Farm. Staff has continued to meet with County representatives and the attached letter from County CAO Robert Bendorf outlines the currently agreed upon principals that could go into a final tax sharing agreement. These principals basically follow the terms of an existing tax sharing agreement for properties that surround the Bishop lands. There will be no requirement for the City's annexation of the two "island" properties that was discussed at the previous meeting.

Should the Council concur with the principals included herein, then staff will work with the County to draft the final agreement that will be presented concurrently to the Council and Board for final approval.

Alternatives: The Council could provide any additional direction for this agreement as desired.

Fiscal Impact: The principals outlined in this letter provide for the City to receive 87.5% of the sales taxes and 50% of the property taxes generated from this property after annexation. This is the same tax share that currently exists on the Jones Ranch, Rodden Ranch and Heritage Oaks properties.